(c) whether there are allegations that the price structure evolved by the FCI for its Open Market Sales Scheme (for wheat) is highly discriminatory for Northern States as the prices under OMSS Rs. 650/for North Rs. 743/for South, Rs. 724/for West and Rs.736/for East (all per quintal) are unworkable?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHRIRAM CHAUHAN): (a) No, Sir. Open sale of wheat was suspended during the months of April and May, 2001 in the North Zone (except the States of J&K and Himachal Pradesh) with a view to enable the Roller Flour Mills and other bulk buyers of the North Zone to purchase wheat directly from farmers during the procurement season and to lessen the burden on the Food Corporation of India (FCI) to that extent. The open sale was resumed in the month of June, 2001.

(b) Yes, Sir.

(c) As authorised by the Government, the open sale rates of wheat are fixed by the High Level Committee of the FCI on monthly basis after reviewing the lifting position. These rates are being fixed zone-wise after taking into account the zonal economic cost of wheat as maintained by FCI and other relevant factors like carrying costs, tax components, transportation charges. The price structure evolved by FCI is based on the above rationale and is not discriminatory. For the month of July, 2001, these rates have been notified as under:

Zone	Rate per qtl.
North	Rs. 650/-
South	Rs. 720/-
West	Rs. 695/-
East/North East	Rs. 705/-

Shifting of responsibility of Foodgrains Procurement and Distribution

489. SHRI RUMANDLA RAMACHANDRAIAH:
SHRI K. RAMA MOHANA RAO:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether serious differences between the Centre and the States came to

the fore over the issue of shifting of responsibility of foodgrains procurement and distribution from the FCI to State Governments.

(b) if so, how many Chief Ministers have opposed this move;

(c) what are the main reasons for opposing this move;

(d) whether some of the States have urged the Centre to defer this move until the States create the necessary infrastructure;

(e) whether for developing the infrastructure the Centre should provide funds to them; and

(f) if so, by when a final decision in this regard is likely to be taken?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHRIRAM CHAUHAN): (a) to (c) The issue of decentralization of procurement of foodgrains was discussed in the Chief Ministers Conference on 21.5.2001 and in the meeting of the Standing Committee of Union Ministers and Chief Ministers on Food Management and Agriculture Exports on 6.7.2001. The States of Andhra Pradesh, Haryana, Kerala, Maharashtra, Orissa, Punjab, Rajasthan, J&K, Bihar, Arunachal Pradesh, Manipur, Gujarat and Assam expressed their inability to adopt the scheme of decentralised procurement due to various reasons such as, lack of funds, lack of infrastructure, trained manpower etc. The States of Karnataka, Goa, Himachal Pradesh and Chhattisgarh expresed that the scheme could be adopted after suitable modalities are worked out. In the first meeting of the Standing Committee held on 6.7.2001, it was clarified that the scheme would not be imposed on any State Government. The scheme of decentralized procurement has already been adopted by UP for wheat and rice, by West Bengal for rice and by MP for wheat.

(d) Yes, Sir.

(e) No, Sir. However, Government proposes that existing godowns of FCI, CWC, SWC etc. can be made available to State Government for storage of foodgrains. Part of the manpower requirements can be met by taking persons on deputation from FCI. Training can be imparted to Quality Control Officers and other staff of the State Government by the officials of FCI and Ministry of Consumer Affairs, Food and Public Distribution.

(f) The Standing Committee of Union Ministers and Chief Ministers on Food Management and Agriculture exports in its meeting held on 6.7.2001 decided that further consultation could be held with the State Governments, and sharing

of gains under the schemes will be considered with those States which agree to adopt the scheme.

Procurement of Maize in A.P.

490. SHRI RUMANDLA RAMACHANDRAIAH: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Chief Minister of Andhra Pradesh has urged the Centre to procure maize in Rabi season under the "Decentralised Procurement Programme";

(b) whether the Chief Minister had pointed out that the Centre had approved decentralised procurement of maize during Kharif season 2000 in Andhra Pradesh;

(c) whether he has also sought Rs. 850 crore for procurement of 15,000 MTs of maize; and

(d) if so, whether the Union Government have agreed to the request of the State Government?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHRIRAM CHAUHAN): (a) and (b) Yes, Sir. In a meeting held on 31.10.2000 with the delegation of State Ministers and Members of Parliament from Andhra Pradesh, it was decided that Andhra Pradesh State Civil Supplies Corporation would procure upto 1 lakh tonnes of maize for distribution through Public Distribution System. Accordingly, a quantity of 42900 MTs of maize has been procured in the State during the Kharif Marketing Season 2000-2001. AP MARKFED was provided a loan of Rs. 3.00 crores by FCI for procurement of maize for Central Pool.

(c) and (d) The Chief Minister of Andhra Pradesh, in his letter dated 10.4.2001 mentioned that an amount of Rs. 8.50 crores would be required for procurement of 15,000 MTs of maize and FCI may be requested to release an amout of Rs. 5.00 crores to AP MARKFED for the procurement operations.

As there was no demand for maize under the PDS, it was decided to dispose of the same in the open market. Hence, it was not found feasible to accede to the request of the State Government. The Government of Andhra Pradesh has been informed accordingly.